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**Intergovernmental Preparatory Committee for the
International Ministerial Conference of Landlocked
and Transit Developing Countries and Donor
Countries and International Financial and
Development Institutions on Transit
Transport Cooperation**

First session
23-27 June 2003

**State of preparations for the International Ministerial
Conference, including the outcomes of the regional and
subregional-level preparations**

Report of the Secretary-General*

Summary

The present report is being submitted in compliance with General Assembly resolution 57/242 of 20 December 2002, in which the Secretary-General of the United Nations was requested to submit a report on the outcomes of the regional and subregional preparations of the International Ministerial Conference for the consideration of the Intergovernmental Preparatory Committee at its first session. The annexes to the report contain the Asunción Programme of Action, the Asian Action Plan on Transit Transport Cooperation and the African Action Plan, which were adopted at their respective regional preparatory meetings in Latin America, Asia and Africa. The report also highlights other relevant aspects of the preparatory process for the International Ministerial Conference.

* The present report is being submitted late because the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States had to await the outcomes of the regional preparatory meetings of Latin America (12-13 March 2003), Asia (24-25 April 2003) and Africa (5-7 May 2003).



I. Introduction

1. In paragraph 3 of its resolution 57/242, the General Assembly decided that the first session of the Intergovernmental Preparatory Committee for the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation would be held in New York from 23 to 27 June 2003 and would address both substantive and organizational matters, including those relating to the election of the bureau and the format of the Conference.

2. In paragraph 5, the Assembly designated the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States as the Secretary-General of the Conference and, in paragraph 6, requested him to organize all the sessions of the Preparatory Committee.

II. Outcomes of the regional and subregional-level preparations

3. In paragraph 7, the Assembly requested the Secretary-General of the Conference, in close cooperation with the regional commissions, to organize regional and subregional meetings, where applicable, in order to make substantive contributions to the work of the Preparatory Committee. In paragraph 10, the Secretary-General of the United Nations was requested to submit a report on the outcomes of the regional and subregional meetings, prepared in consultation with regional and subregional organizations, for the consideration of the Preparatory Committee.

4. Three regional preparatory meetings were convened to assess transit transport systems in Africa, Asia and Latin America and to adopt a regional platform/programme of action on measures aimed at establishing efficient transit transport systems at the regional and subregional levels. The regional commissions, the United Nations Conference on Trade and Development (UNCTAD), the World Bank, regional development banks and other relevant international organizations as well as the private sector were actively involved in the preparation and organization of the meetings.

5. The regional preparatory process commenced with the Latin American Regional Preparatory Meeting, which was hosted by the Government of Paraguay in Asunción on 12 and 13 March 2003. The President of Paraguay attended the inaugural session of the Meeting, which was chaired by the Minister of Foreign Affairs of the host country. The Economic Commission for Latin America and the Caribbean (ECLAC) prepared a comprehensive report on the current situation of transit transport in the region. The Meeting adopted the Asunción Programme of Action on transit transport cooperation in Latin America (see annex I).

6. For the Asian regional preparations, the secretariat of the Economic and Social Commission for Asia and the Pacific (ESCAP) undertook a series of case studies on subregional transit transport systems to substantiate four subregional meetings in the Lao People's Democratic Republic, Mongolia, Kazakhstan and Nepal. In these studies the ESCAP secretariat developed a methodology to help identify and quantify bottlenecks, bringing greater focus and clarity to a number of priority

policy recommendations. In lieu of the regional intergovernmental preparatory meeting, ESCAP, during the first phase of its fifty-ninth session, considered the agenda item on regional preparations for the International Ministerial Conference. During the first phase of its fifty-ninth session, ESCAP also adopted the Asian regional platform for the Conference (see annex II).

7. The African Regional Meeting was held at the headquarters of the Economic Commission for Africa (ECA) from 5 to 7 May 2003. The Secretary-General of the Conference and the Executive Secretary of ECA mobilized the active involvement of the subregional organizations in the African Regional Meeting, as the subregional organizations play a lead role in the development of subregional transit transport systems and expanding regional and subregional integration. Indeed, representatives from the Economic Community of West African States (ECOWAS), the Common Market for Eastern and Southern Africa (COMESA), the Intergovernmental Authority on Development (IGAD), the Southern African Development Community (SADC) and the West African Economic and Monetary Union (WAEMU) presented a comprehensive assessment of subregional transit transport systems with the far-reaching proposal for future action to improve the system further. Indeed, their presentation and active involvement served as the basis for the preparation and adoption of the regional plan of action of Africa. The Meeting adopted the African Action Plan (see annex III).

8. The outcomes of the regional preparatory meetings constitute major substantive contributions to the first session of the Intergovernmental Preparatory Committee. The meetings resulted in the adoption of measures aimed at addressing the need for unfettered access to the sea by all means of transport, inadequate infrastructure and efficient use of transport facilities, reform of transit transport policies and weak managerial, procedural, regulatory and institutional systems. These outcomes also emphasized closer and even more effective cooperation and collaboration between these countries and their transit neighbours.

III. Other aspects of the preparatory process

A. Support of the United Nations system organizations

9. A broad-based participatory approach is the key to the success of the International Ministerial Conference. Efforts have been made to ensure the active involvement of the United Nations entities and other relevant organizations in the preparatory process. With its global mandate of United Nations system-wide coordination, advocacy and mobilization of international support measures, the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States has undertaken the necessary steps to ensure the active participation of the relevant United Nations entities and international organizations in the preparatory process. The Office of the High Representative has been cooperating with the United Nations system organizations and other international and regional organizations, inter alia, through their focal points designated to facilitate the preparatory process for the International Ministerial Conference.

10. The World Bank, in particular the Department of Transport and Urban Development, has been actively involved in the substantive preparations for the

Conference. The Bank included the preparations for the Conference in the agenda of its Transport Forum 2003. The 2002 annual report of the World Bank, entitled "Global Economic Prospects and the Developing Countries", also provides a comprehensive analysis of the role of transport services for development. The report deals extensively with the specific difficulties confronted by landlocked developing countries. It concludes that the costs for international transport services are a crucial determinant of a developing country's export competitiveness. Shipping costs often represent a more binding constraint to greater participation in international trade than tariffs and other trade barriers. In addition, the Bank is preparing a comprehensive report on private investment in infrastructure development in landlocked and transit developing countries. It will also organize the High-level Forum on Investment as a parallel event during the International Ministerial Conference.

11. The UNCTAD secretariat has also been actively involved in providing substantive preparations for the Conference. In particular, UNCTAD commissioned a number of case studies on transit transport systems in South-East and Central Asia, Latin America and Western and Eastern Africa. UNCTAD is also preparing a report on landlocked developing countries from three main angles, namely transit facilitation, trade expansion and investment promotion. The UNCTAD secretariat will organize a parallel event on trade facilitation during the Conference.

12. The regional commissions played a lead role in providing substantive preparations for the regional and subregional preparatory process. ECA, ESCAP and ECLAC prepared assessments on regional transit transport systems and on measures for further development.

13. The Statistical Division of the United Nations Secretariat prepared the annual World Statistics Pocketbook for landlocked developing countries to monitor and assess the socio-economic development of those countries in quantitative terms.

14. In addition to the United Nations system organizations, the effective and meaningful involvement of the private sector would be an important element of the process. The International Chamber of Commerce was involved in the preparatory process, especially in the preparation of parallel events, which will be an important platform for private sector participation in the Conference. The private sector has participated in the regional meetings and contributed to the process. Non-governmental tracks, such as parallel events during the Conference, would provide the necessary platform for the meaningful involvement of the private sector in the preparatory process.

B. Consultations with the host Government

15. In paragraph 1 of its resolution 57/242, the General Assembly welcomed and accepted the generous offer made by the Government of Kazakhstan to host the International Ministerial Conference. The Secretary-General of the Conference has been in regular contact and has held regular consultations with the host Government. The United Nations planning mission was dispatched from 7 to 9 April 2003 to review the physical facilities for the Conference and to consult with the National Preparatory Committee of Kazakhstan on all organizational and logistical aspects of the Conference. The planning mission identified the Conference venue and made a detailed evaluation of its facilities. The second session of the Intergovernmental

Preparatory Committee and the International Ministerial Conference itself will be held at the Almaty Regent Hotel.

16. The draft host country agreement between the Government of Kazakhstan and the United Nations is being finalized. Kazakhstan will provide resources to defray costs related to the organization of the Conference outside United Nations Headquarters. Moreover, the Secretary-General of the Conference has been in close contact with the Administration of Almaty, which will provide the necessary support and facilities, including security, transportation and medical services for the participants in the Conference. During the first session of the Intergovernmental Preparatory Committee, the host Government will organize a special briefing session for the participants.

C. Mobilization of resources

17. The General Assembly requested the Secretary-General of the United Nations to seek voluntary contributions to facilitate the preparations for the Conference, including the participation of representatives of landlocked and transit developing countries in the Conference.

18. He established a trust fund for the preparation of the Conference and for its follow-up activities in order to pool together voluntary contributions. On behalf of the Secretary-General of the United Nations, the Secretary-General of the Conference continues to seek voluntary contributions.

19. The Secretary-General of the Conference and the Associate Administrator of the United Nations Development Programme (UNDP) jointly requested the Resident Representatives of UNDP in landlocked and transit developing countries to fund the participation of at least two representatives from their respective countries to the first session of the Intergovernmental Preparatory Committee in New York and the International Ministerial Conference.

20. The Governments of Japan, Greece and Switzerland made a contribution to the Trust Fund for the International Ministerial Conference. The European Commission and the Special Unit for Technical Cooperation among Developing Countries of UNDP also made contributions to the above Trust Fund. The Government of Italy provided financial assistance to UNCTAD in preparing technical papers on transit transport systems in different landlocked subregions.

D. Advocacy and promotion for the Conference

21. As the General Assembly requested the Secretary-General of the United Nations to launch a public information campaign, the Secretary-General of the Conference initiated a wide scale of activities to mobilize international attention and awareness to the International Ministerial Conference and to the special needs and problems of landlocked developing countries. In particular, the Secretary-General of the Conference attended the Transport Forum 2003 of the World Bank and made the keynote speech. He convened a number of briefing sessions for the New York-based delegates and United Nations entities and other international institutions.

22. The Department of Public Information of the Secretariat has undertaken a public information campaign. In particular, it issued press releases and news alerts

during the regional and subregional meetings and prepared a Conference brochure and poster. Those measures have been effective in mobilizing international attention to the objectives of the Conference.

23. The web site on the International Ministerial Conference created by the Office of the High Representative has been an important reference point and source of information for the preparatory process of the Conference.

IV. Structure/format of the International Ministerial Conference

24. The International Ministerial Conference was designed and organized in such a way that it would achieve the expected outcome with minimum resources. The sessions of the Intergovernmental Preparatory Committee will be devoted to negotiations of the draft outcome of the Conference. No plenary meeting is planned to take place during the sessions of the Preparatory Committee. The second session of the Preparatory Committee will be organized back-to-back with the Conference. The Conference will be well structured and focused. The number of parallel events and overlapping activities during the Conference will be kept to the minimum. The secretariat of the Conference will be both small and lean, as the preparatory process should draw on the existing mechanism and structure of the United Nations.

25. It should be recalled that the structure/format currently proposed in this section of the report is the result of an intensive consultative process by the Secretary-General of the Conference with the member States as well as the relevant parts of the United Nations, including UNCTAD, the regional commissions, the Department for General Assembly and Conference Management and the World Bank.

26. The official dates for the Conference are 28 and 29 August 2003. It will be preceded by the second session of the Intergovernmental Preparatory Committee, to be held from 25 to 27 August 2003. Representatives at the second session of the Preparatory Committee, which will be organized back-to-back with the Conference, are expected to agree on the text of the draft final outcome. The establishment of a committee of the whole during the Conference is not foreseen. The two-day Conference will be structured around a plenary session. The President of the host country is expected to attend the inaugural session. The heads of the relevant United Nations agencies and international financial and development institutions will join the President of the host country at the opening session.

27. The opening session will be followed by the plenary session of the Conference. The general statements will be delivered in a conference room. The list of speakers will be opened on 1 August 2003 and speakers will be inscribed on a strictly first-come-first-served basis.

28. There will be two parallel events during the Conference in order to keep it well focused on a positive outcome: a High-level Forum on Investment and a High-level Round Table on Trade Facilitation. The main purpose of the parallel events is to offer opportunities to non-governmental organizations and private sector representatives to interface with the officials of landlocked and transit developing countries and donor countries and their development partners on issues related to establishing efficient transit transport systems, including infrastructure development and trade facilitation. It is expected that at the end of those events, concrete

initiatives will also be adopted that can be translated quickly into the development of new, innovative and strengthened partnerships between official development partners and the private sector, opening up a new international partnership for assisting landlocked and transit developing countries through the establishment of efficient transit transport systems.

29. There will also be an exhibition during the Conference, opening on 27 August 2003. The exhibition will demonstrate current transit transport systems in Central Asia and best practices in transit services.

V. Conclusions

30. The International Ministerial Conference will provide the international community with a unique opportunity to galvanize international solidarity and partnership so as to assist landlocked developing countries to participate effectively in the international trading system, by establishing efficient transit systems. The Conference will need to agree on action-oriented measures which take into account a broad range of factors, such as unfettered access to the sea by all means of transport, inadequate infrastructure, imbalance of trade, inefficient transport organization, poor utilization of assets, reform of transit transport policies and weak managerial, procedural, regulatory, institutional systems and international support measures.

Annex I

Asunción Programme of Action

1. The landlocked and transit countries of Latin America represented at the Regional Meeting of Landlocked and Transit Developing Countries preparatory to the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, convened pursuant to General Assembly resolutions 56/180 and 57/242 in Asunción, Paraguay, on 12 and 13 March 2003,

2. Recalling the Millennium Declaration,¹ in which heads of State and Government from all over the world recognized the special needs and problems of landlocked developing countries and urged both bilateral and multilateral donors to increase financial and technical assistance to this group of countries,

3. Taking note of article V of the 1994 General Agreement on Tariffs and Trade and of the decisions adopted at the Fourth Ministerial Conference of the World Trade Organization, held in Doha, Qatar, and embodied in the Programme of Work adopted at that Conference, and at successive meetings of the Council for Trade in Goods, within the framework of trade facilitation and the programme of work on small economies,

4. Emphasizing the importance of further strengthening effective and close cooperation between landlocked and transit developing countries under international conventions, in particular the United Nations Convention on the Law of the Sea, part X, Right of access of landlocked States to and from the sea and freedom of transit, and bilateral, subregional and regional agreements, and noting the important role of the regional commissions in this regard,

5. Recognizing also that

(i) Landlocked developing countries face high transport costs, which have a negative impact on their level of economic and social development, their rate of economic growth, their competitiveness in international trade and their capacity to attract foreign direct investment,

(ii) The high transport costs borne by landlocked countries can be reduced by improving the quality of transport infrastructure in these countries and in transit countries and by facilitating border crossing,

(iii) International conventions and bilateral, subregional and regional agreements are the principal means by which the rules and procedures applied in landlocked and transit countries can be harmonized and simplified,

(iv) The decline in official development assistance and the insufficiency of external financing for infrastructure investment have had a negative impact on landlocked and transit developing countries,

(v) Investment in physical infrastructure enhances the productivity of factors of production,

¹ See United Nations General Assembly resolution 55/2

6. *Proposes the following Regional Programme of Action:*

- (i) To continue to move forward in the formulation and implementation of a regional policy for the development of transport infrastructure, giving priority to the specific needs and problems of landlocked developing countries in the region and the interior of transit countries;
- (ii) To endorse fully the Initiative for the Integration of Regional Infrastructure in South America, as a highly relevant and strategically important approach and as a viable instrument for cross-sectoral integration, as well as its Plan of Action based on integration and development hubs, whose aim is to address the physical infrastructure needs of landlocked and transit developing countries in the region;
- (iii) To give priority attention to upgrading transit transport infrastructure throughout the integration and development hubs, particularly in the following areas: road maintenance and construction, improvement of telecommunications, infrastructure projects for transport by pipeline, multimodal transport, waterways and ports;
- (iv) To pursue actions already undertaken for the dredging and buoyage of the Paraguay-Paraná waterway and for environmental protection and the improvement of administrative procedures in order to increase the use of this waterway as one of the fundamental routes to the Atlantic from the landlocked countries of the region and from the vast interior of South America;
- (v) To foster and implement regional trade facilitation initiatives linked to the development of transit transport systems, including multimodal transport, that will contribute to regional integration in accordance with the relevant bilateral, regional and international agreements and conventions;
- (vi) To identify innovative financing mechanisms for increasing investments in upgrading and building transport infrastructure in landlocked and transit countries, with the possible participation of multilateral financial institutions and donor countries;
- (vii) To continue to encourage private-sector interest in investing in infrastructure works in landlocked and transit countries and to strive for the synchronized development of investments in productive and infrastructure activities;
- (viii) To improve mechanisms for consultation and dialogue, under bilateral and regional agreements, between transit operators in the public and private sectors;
- (ix) To urge multilateral institutions, in particular the Inter-American Development Bank, the World Bank, the Andean Development Corporation and the Financial Fund for the Development of the River Plate Basin, to provide more funding for the development of transit transport infrastructure;

(x) To urge the Economic Commission for Latin America and the Caribbean, the United Nations Conference on Trade and Development, the Latin American Integration Association, the World Trade Organization and the World Customs Organization to give priority to requests for technical assistance to supplement national and regional efforts to promote the efficient use of existing transit facilities, including the application of information technologies and the simplification and harmonization of procedures and documents.

Annex II

Asian Action Plan on Transit Transport Cooperation

1. The framework of recommendations, in the form of the action plan described below, has been designed to focus resources and inputs of landlocked and transit developing countries and donor countries and international financial and development institutions and the private sector on improving the efficiency of transit transport and thereby access to global markets. The actions also recognize the increasingly important potential of landlocked countries to provide transit opportunities for their neighbours, an important factor in the planning of future transit arrangements.

A. Policy-related actions

2. While landlocked countries do need the cooperation of neighbouring countries in developing efficient transit transport and access to international markets, they also need to demonstrate their commitment to improve the transit process through the formulation and implementation of a clear and consistent national policy. It is important that landlocked countries coordinate among themselves, ensure representation at international meetings and articulate their positions with a single voice.

Specific action by landlocked and transit countries

(a) Development and implementation of a nationally integrated transit transport policy and the promotion of regionally coordinated initiatives where appropriate;

(b) Landlocked and transit countries should establish and/or strengthen national trade and transport facilitation boards or committees with representation of all major stakeholders (Government, private sector, transport operators/associations, etc.) to develop a coordinated and consistent transit and transport strategy. Owing to the cross-cutting nature of the work that body would have to undertake, the chairmanship should be at the level of deputy prime minister, with clear terms of reference and responsibilities, based on this action plan. Subcommittees operating at the working level and focusing on specific routes may support such a body.

Supporting role of subregional and international organizations

(a) Ensure that the issue of transit transport, particularly with respect to landlocked countries, is regularly placed on the agenda of meetings and brought to the attention of policy makers through discussion and action;

(b) Provide information on and analysis of examples of best practice in the establishment and operation of trade and transport facilitation committees, supported by advisory services to countries that wish to develop a national integrated transit transport policy;

(c) Subregional initiatives may focus on specific transit corridors.

B. Improved coordination within and between countries

3. Along with the development of transport infrastructure comes the need to formalize arrangements with regard to the operation and facilitation of transit transport. Multiple agreements at a bilateral, trilateral and subregional level, along with international conventions, can result and are resulting in some countries having overlapping and sometimes contradictory obligations. The need to ensure a consistent and, to the extent possible, harmonized legal regime for transit transport across the region is thus important.

Specific action by landlocked and transit countries

(a) Ensure the compatibility of geographically overlapping agreements with respect to transit transport;

(b) Develop national and subregional action plans to address transit transport issues with common and agreed priorities, including implementation of ESCAP resolution 48/11 of 23 April 1992 on road and rail transport modes in relation to facilitation measures;

(c) Active and constructive participation of landlocked developing countries in transit-related meetings of international organizations.

Supporting action by subregional and international organizations

(a) Undertake a study to collate and review elements of existing and proposed agreements within the region and relevant international conventions on transport facilitation and make proposals for regional harmonization;

(b) Facilitate the organization of regular meetings between national trade and transport committees of landlocked and transit countries at the subregional and regional levels.

C. Trade and transport facilitation

4. Simplification and harmonization of transit transport documentation along transit routes and across the region could lead to immediate benefits in terms of a simplification of procedures and a reduction in transit costs and time. With the potential growth in transit transport through landlocked countries, both landlocked and neighbouring transit countries can benefit from actions taken to increase the efficiency of transit transport. As road transport takes on an increasingly important role in providing transit transport services, there is a need to consider equitable approaches to the charging of transit/road maintenance fees.

Specific action by landlocked and transit countries

(a) Simplification and harmonization of transit documents, particularly between neighbouring countries along transit routes;

(b) Minimization/elimination of customs inspections of goods in transit and simplification of customs formalities, while, at the same time, recognizing security concerns by introducing guarantee systems, as appropriate;

(c) Reduction and simplification of transit fee systems and associated charges;

(d) Establishment of a one-stop shop where jointly undertaken customs inspections can be undertaken and other forms of collaboration promoted;

(e) Establishment of a "single-window" facility at the national level to facilitate the processing of all transit transport-related documents at one location.

Supporting action by subregional and international organizations

(a) Provide advisory services and support to countries wishing to simplify and harmonize transit transport documentation;

(b) Undertake a review of transit fees and related charges with a view to simplifying and harmonizing the process at the regional level.

D. Promoting competition in the provision of transit transport services

5. Transport service providers from landlocked countries are sometimes restricted from offering services in the territory of their transit neighbour, even for the carriage of national goods in transit. Limited competition between operators, modes of transport and alternative routes may result in inefficient pricing policies and services.

Specific action by landlocked and transit countries

(a) Recognize the special needs of landlocked countries to use their own trucks to transport goods in transit to and from international ports and markets; landlocked countries should recognize the needs of transport operators of their neighbouring countries to transit through their territory;

(b) Landlocked countries could consider taking the initiative in identifying alternative, competing transit routes that may form the basis for discussion with their transit neighbours where appropriate and agreed to by the countries concerned;

(c) Strengthen institutional capacity and promote the role of private sector transport operators, including those from landlocked developing countries, to increase competition and efficiency.

Supporting action by international organizations

(a) Identify and provide examples of best practices with respect to liberalizing transit transport markets and facilitating negotiations, at the request of member countries.

E. Better monitoring

6. The cost/time models utilized in the ESCAP case studies can provide countries with a snapshot of the current performance of transit transport routes. They can also provide policy makers with a clear view of the critical problems facing transit transport and a methodology for monitoring the impact of efficiency improvements.

They could facilitate comparisons with other transit routes/border crossings within and outside the country, with a particular focus on, and the identification and transfer of, best practices.

Specific action by landlocked and transit countries

(a) National trade and transport facilitation committees or similar bodies could, inter alia, apply ESCAP methodology, based on the graphical representation of the cost and time data associated with the transit transport process between origin and destination, to assess, monitor and evaluate progress in improving the efficiency of transit transport routes;

(b) Improve data collection and develop a databank to promote informed policy-making, including identification and monitoring;

(c) Consider applying performance indicators to measure transit transport efficiency.

Supporting action by subregional and international organizations

(a) Provide training on the application of the ESCAP methodology described above and other appropriate techniques to each major transit transport corridor and provide an analysis of regional results.

F. Enhancing transit infrastructure

7. Development of transport and information and communications technology infrastructure and, particularly, completion of the "missing-links", would improve transit transport and enable landlocked countries to provide transit transport services to neighbouring countries. An integrated approach is needed to balance competing priorities in the development of road, rail and other infrastructure. While alternative transit routes are important, volume and economies of scale contribute to the reduction of unit costs. The availability of a choice of routes will allow the trade and transport industries to select the most effective route on a commercial basis. The role of the private sector in providing and managing infrastructure facilities along transit corridors is still limited.

Specific action by landlocked and transit countries

(a) Prioritize transport infrastructure investment requirements for transit transport, including for intermodal transport;

(b) Establish logistics facilities and inland container depots as consolidation/distribution hubs, particularly at border crossing points;

(c) Promote the development of competing transport routes to reduce costs and improve service in consultation between landlocked countries and transit countries;

(d) Mobilize financial resources and create public-private partnerships to finance and operate transport infrastructure and facilities;

(e) Improve operations and efficiency of each transit route.

Supporting action by international organizations

(a) Assist regional member countries in identifying and formalizing agreements with respect to highway and railway transport linkages of regional importance, including those providing access to landlocked countries, as well as infrastructure that can promote intermodal transport connectivity, with a particular focus on the development of the Asian Highway and the Trans-Asian Railway as well as Asia-Europe transport linkages in the context of the development of an integrated transport network;

(b) Assist member countries in creating an environment conducive to private sector participation in the construction and operation of transport facilities.

G. Application of information and communications technology

8. Information and communications technology applications can assist customs authorities in undertaking their duties and in building a databank of information. Information and communications technology applications can also effectively increase the efficiency of various processes within the transport sector, provide connectivity between neighbouring countries and increase the ability of shippers to track their goods.

Specific action by landlocked and transit countries

(a) Computerize customs systems and the transmission of information with respect to goods in transit;

(b) Introduce and develop information and communications technology systems along major transit routes from point of origin to point of destination, including maritime transport;

(c) Provide information on transit transport regulations and their interpretation on the Internet;

(d) Develop systems and encourage the lodging and processing of documents electronically;

(e) Introduce transit transport management and monitoring systems;

(f) Mobilize financial resources through domestic initiatives and through international cooperation agreed to between the States concerned and through the creation of public-private partnerships to finance and operate information and communications technology applications.

Supporting action by subregional and international organizations

(a) Compile information on computerization of customs processes and electronic data interchange systems adopted by selected countries including best practices;

(b) Develop guidelines and recommendations on information and information and communications technology requirements for efficient transit transport in the region.

H. Capacity-building and human resources development for transit transport

9. Landlocked countries need to create a greater awareness of international developments with respect to transit transport and increase the capacity of government officials and the private sector in addressing issues of concern.

Specific action by landlocked and transit countries

Capacity-building is required, particularly in the following areas:

- (a) Negotiation, accession to and implementation of multilateral agreements, where appropriate and agreed to by the countries concerned;
- (b) Trade and transport documentation and processes;
- (c) Freight forwarding, multimodal transport and other transport operations.

Supporting action by subregional and international organizations

- (a) Assist countries to develop and deliver a sustainable human resources development programme for policy makers and transport industry personnel;
- (b) Provide advisory services, training programmes and other technical assistance.

Annex III

African Action Plan

I. Introduction

1. Pursuant to General Assembly resolution 57/242, the African preparatory meeting for the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation took place at the headquarters of the Economic Commission for Africa in Addis Ababa from 5 to 7 May 2003.

2. The participants at the African Regional Meeting of landlocked and transit countries, which is being held as part of the preparatory process for the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions, to be held in Kazakhstan in August this year, emphasized the particular needs and problems faced by landlocked developing countries linked to their geographical handicaps. The right of access of landlocked developing countries to and from the sea by all means of transport through the territory of their transit neighbours was also emphasized.

3. Although the difficulties of being landlocked permeate every aspect of development, their impact on trade is particularly severe. The lack of access to the sea, remoteness from major international markets, inadequate transport infrastructure and cumbersome transit procedures imply that these countries have to bear additional costs for their external trade transactions. They also cause inflation of the price of imported inputs for manufacturing. Moreover, high transport costs reduce the level of investment, both directly through increasing the costs of imported capital and indirectly through reducing the level of total savings that is available for investment. Both have a negative impact on growth in the long run.

4. Trade success or failure of landlocked developing countries is largely determined by transport availability and cost. Excessive transport costs constitute more important barriers than most favoured nation tariffs. There is urgent need for granting preferential treatments to developing landlocked countries so as to enable them to meet their challenges, as was done for the least developed countries. Also, landlocked and transit developing countries of Africa need urgent assistance by the World Trade Organization (WTO) as well as other relevant international organizations in identifying needs and priorities in the context of the Doha Ministerial Declaration of WTO, as related to the trade facilitation.

5. Africa has 15 landlocked developing countries, which face the most severe forms of these problems. In spite of a number of initiatives, the challenges faced by these countries continue to be formidable. It requires urgent action at the national, subregional, regional and international levels to address these issues. In this context, the importance of the further development of the regional cooperation and relevant initiatives, in particular the New Partnership for Africa's Development (NEPAD), supported by some regional initiatives, was emphasized. Establishment of efficient transit systems should bring benefits to both landlocked and transit developing countries.

6. The objective of this Meeting, inter alia, was to develop a regional action plan for Africa for the reduction of costs and improvement of transit services so as to increase the competitiveness of its exports, to reduce impact costs, to have routes free from delays and uncertainties, to reduce en route loss, damage, and deterioration and to open the way for export expansion. This document contains an introduction, the assessment of main corridors, the actions to be undertaken and the implementations and support measures.

II. Assessment of the main African corridors

7. Various transport corridors serve the 15 landlocked African countries. These corridors represent the well-established, historical routes in the region and form the backbone for intraregional, intercontinental and domestic trade. They provide the link between the regional centres of economic activity and the regional ports, which handle essentially all exports and imports of the region with the rest of the world. Their cost effectiveness, efficiency and reliability determine to a great extent the international competitiveness of the entire region in various productive and service sectors. However, it must be noted that over the last decades, a number of factors have brought changes in the group of the regional transport corridors, notably:

- Political unrest leading to closure of corridors to trade facilitation
- Pro-active development strategies to open new corridors.

(a) Main African corridors and their characteristics

The main corridors in sub-Saharan Africa are shown in the table below.

Table
Main corridors in Africa

Corridor	Distances	Remarks
Dakar - Mali	1 250 km	Rail
Abidjan - Burkina Faso - Mali	1 200 km	Multimodal options to Ouagadougou, then road
Tema/Takoradi - Burkina Faso - Mali	1 100 km to Ouagadougou	Road
Lomé - Burkina Faso - Niger/Mali	2 000 km	Road
Cotonou - Niger-Burkina Faso-Mali	1 000 km up to Niger	Multimodal options
Lagos - Niger	1 500 km	Road
Port Harcourt - Chad		
Douala - Central African Republic-Chad	1 800 km	Multimodal
Pointe Noire - Central African Republic-Chad	1 800 km	Rail/River
Lobito - DRC - Zambia	1 300 km	Not currently used
Luanda-DRC-Rwanda-Burundi		Not currently used
Walvis Bay - Zambia - DRC (Trans-Caprivi)	2 100 km to Lusaka	Road
Walvis Bay - Botswana - South Africa (Trans-Kalahari)	1 800 km	Road
Durban - Zimbabwe - Zambia - DRC (North-South Corridor)	2 500 km to DRC	Multimodal options available
Maputo - South Africa	600 km	Multimodal options available

<i>Corridor</i>	<i>Distances</i>	<i>Remarks</i>
Beira – Zimbabwe – Zambia – DRC		Multimodal options available
Nacala – Malawi – Zambia – DRC	1 800 km to Lusaka	Multimodal options available
Mitwara – Malawi – Zambia – DRC		Not yet used for transit
Dar-es-Salaam – Zambia – DRC (Tazara Corridor)	2 000 km to Lusaka	Multimodal options available
Dar-es-Salaam – Rwanda – Burundi – Uganda – DRC (Central Corridor)	1 400 km to Kigali, 1 600 km to Kampala	Multimodal options available
Tange – Uganda	1 500 km	Not yet developed
Mombasa – Rwanda – Burundi – Uganda – DRC (Northern Corridor)	1 200 km to Kampala, 2 000 km to Bujumbura	Multimodal options available
Berbera – Ethiopia	850 km	Road
Djibouti – Ethiopia	900 km	Multimodal options available
Assab – Ethiopia	900 km	Not currently used
Massawa – Ethiopia		Not currently used
Port Sudan – Ethiopia		Not currently used
Lagos – Niger-Mali and Lagos – Chad	8 000 km	Multimodal options available

(b) Issues of the corridors' development

All the above main African corridors suffer to some extent from inefficiencies of the transport systems — long transit time, translating in poor utilization of equipment — and therefore high transport costs.

The inefficiencies have to be addressed at two levels:

- Improving and maintaining the infrastructure (ports, roads, rail tracks and equipment, inland container depots, dry ports, etc.)
- Streamlining the logistics for movement of freight and rationalizing the procedures for the free movement of persons, etc., in short, transit facilitation.

The development of efficient and affordable air services could also be addressed in improving the efficiency of the corridors. This issue has been tackled under the Yamoussoukro Decision to liberalize the access to air transport markets in Africa, adopted in 2000 by the heads of State and Government of the Organization of African Unity/African Union.

The main constraints affecting the corridors are, among others:

- Radial aspect of the transport corridors, with few or no connections between corridors (this is particularly true for railways, which have been built according to different gauges and without interconnection. The notable exceptions to this are the Southern African railways, which share the same gauge and are interconnected)
- Generally poor condition of the infrastructure, owing to age and lack of maintenance
- Obsolete and inappropriate equipment
- Weak environmental measures

- Roadblocks
- Long and inappropriate documentation procedures
- High transit cost, including insurance
- Corruption
- Inefficient port and railway services and operations
- Lack of enforcement mechanisms as well as harmonization of rules
- Lack of political commitment
- Limited capacity of regional economic communities and operators to manage and monitor the transit corridors identified
- Lack of conducive environment for private sector participation and difficulties of mobilizing resources for the regional projects
- Limited use of information and communications technology
- High cost of maintenance and financing of infrastructure
- Lack/insufficient integration of transport issues in the strategies of poverty reduction and export promotion programmes
- Missing links
- HIV/AIDS
- High occurrence of accidents.

(c) Infrastructure development issues of corridors

To improve the current situation of African corridors, an effort should be made to establish a good infrastructure network that provides direct links between production and consumption centres, foster political, economic and social integration and cohesion of Africa and ensure sustainable transport facilities.

In this regard, the development of infrastructure (road, ports and railways) could be concentrated on the following priorities as already identified by the regional economic communities and NEPAD.

(i) Roads

The development of the road network systems of the following main nine Trans-African Highways as well as the interconnections network to these highways, as defined by the regional economic communities: Cairo-Dakar; Algiers-Lagos; Tripoli-Windhoek; Cairo-Gaborone; Dakar-N'djamena; N'djamena-Djibouti; Dakar-Lagos; Lagos-Mombasa and Beira-Lobito.

(ii) Ports

Each port of the continent is a potential transit corridor. With 15 landlocked countries in Africa, most of the ports are in a position to serve one or several of them in addition to domestic traffic. The corridors radiating from these regional ports constitute the main corridors of the region and their status is linked to their efficiency. The main ports are as follows:

West Africa:	Dakar, Abidjan, Tema, Lomé, Lagos, Cotonou and Takoradi
Central Africa:	Douala, Pointe Noire
East Africa:	Mombasa, Dar-es-Salaam, Djibouti, Massawa, Assab, Berbera, Port Sudan, Tanga and Mutwara
Southern Africa:	Mtwara, Nacala, Beira, Maputo, Durban, Lobito and Walvis Bay.

In addition to the above ports, efforts should be made to develop inland water ports available in different subregions.

(iii) Railways

Actions to be undertaken should be devoted to restructuring and strengthening the existing network and to develop the interconnection of subregional railway networks.

(d) Financing issues for the development of the corridors

The existing infrastructure is not only insufficient, but also offers a low level of service in terms of quality. Several missing links have been identified. It has become evident that as from the 1980s, there has been a drastic fall in official development assistance funding for infrastructure development, partially contributing to the deterioration of all modes of transport infrastructure in Africa. Therefore, African countries are facing the problem of how to generate and mobilize resources for the renewal of infrastructure and equipment. In addition, the private sector is lagging, owing to the lack of a conducive environment and an appropriate mechanism for the implementation of regional projects.

(e) Transit facilitation issues

African subregional institutions, notably, COMESA, EAC, SADC, ECOWAS, WAEMU, the Economic and Monetary Community of Central Africa (EMCCA) and IGAD have played a key role in promoting transit transport cooperation in Africa through the designing and the implementation of the following instruments: (i) harmonization of axle load limits; (ii) carrier licence and transit plates; (iii) harmonized road transit charges; (iv) regional customs bond; (v) road customs transit declaration document; (vi) third party motor insurance; (vii) inter-State road convention; (viii) convention relating to customs transit; and (ix) implementation of information and communications technology initiatives. Regional institutions, such as the Trans-African Highway Bureau and Liaison Committee, have also been set up to monitor the implementation of the treaties and convention as well as the planning and resource mobilization for projects. All but one of the bureaux has been closed owing to lack of financial and technical resources and appropriate empowerment responsibilities.

The challenge ahead will be to extend the application of the regional instruments to all member countries and to ensure their uniform and effective implementation. Member countries which have not yet taken the necessary actions required to put into operation in their territories one or more of these regional instruments should do so. The subregional organizations should provide technical support and, where necessary, the international community should provide financial

and technical assistance. In addition, efforts should be made to set up efficient and appropriate subregional and regional institutions to monitor the transit corridors' development and operations.

(f) Monitoring issues of corridors

Improvements of the above situation are necessary and the degree to which such improvements are made can only be assessed if measures are put in place to monitor transport corridor performance, inclusive of infrastructure serviceability, operations, institutional and management issues, safety, environment and the overall impact on the economy and regional integration.

III. Measures to be taken

8. In order to remove the main constraints of the transit corridors as indicated above and related to: missing links; road blocks; operational issues; human resources and institutional issues; financing of regional projects; information and communications technology development and the socio-economic impact of HIV/AIDS and road accidents; effective private sector development and participation; capacity of operator, regional economic communities and member States; and lack of competition, the development partners' assistance is necessary to facilitate implementing the following priority programmes:

(a) Infrastructure development and financing issues

To correct the inefficiency of infrastructure and secure the necessary financing of infrastructure as identified above, the actions indicated below should be taken.

(i) Member States at the national level

The African countries are aware of the need to adopt and implement measures to facilitate transit transport in Africa and to attract the required investments. The implementation of most of the measures is under way and the continent commits itself to furthering such measures, which include:

- Development of comprehensive transport policies, taking into account the macroeconomic framework and regional cooperation
- Adoption by each country of a sustainable and efficient infrastructure maintenance and management programme based on transparency and private sector participation and with user funds
- Enforcement of subregional maximum permissible axle load limitations to protect road infrastructure as well as vehicles
- Harmonization of construction standards of all types of infrastructure
- Institutionalization of sound safety and accident prevention measures
- Harmonization of ports and airport regulations as well as safety measures
- Restructuring the railway systems by encouraging public-private sector participation

- Establishment of transit facilitation measures, especially along the corridors to the landlocked countries (removal of roadblocks and corruption)
- Ensuring a conducive, legal and regulatory environment to encourage private sector participation in the development of infrastructure
- Supporting the institution for the subregional management of the Trans-African Highway
- Coastal countries giving special attention to the development of corridors so as to open up landlocked countries and facilitate their international trade
- Exploring avenues for developing inland waterways as alternatives to road, rail and air transport services
- Developing dry ports to decongest the seaports and to enable customs facilitation for faster goods clearance
- Encouraging, through appropriate measures, the development and promotion of cargo consolidation and freight forwarding to promote transit trade in member States.

(ii) Development partners

Development partners should:

- Provide institutional and human capacity-building to the regional economic communities to ensure that they are able to coordinate national efforts in the development of physical infrastructures
- Support the ongoing initiatives taken by some regional institutions towards facilitation of transit transport, which should be an accompanying measure for physical development of infrastructure
- Assist the regional economic communities to finance the completion of the missing links identified in the priority corridors as presented in the table above.

(b) Facilitation

The actions below should be undertaken by the regional economic communities and member States, with the assistance of the development partners, in order to improve facilitation along the main corridors:

- Harmonization of various instruments at the regional and subregional levels
- Enforcement of regional frameworks
- Coordination among the regional economic communities and other institutions
- Capacity-building for both the private and public sector at the national and subregional levels
- Completion of the missing links already identified in priority corridors and for which resources have been mobilized
- Strengthening of existing transport chains along the corridors through the development of multimodal transport

- Increase the capacity of African countries and the regional economic communities to implement information and communications technology as support services to transit transport corridor facilitation
- Preparation and implementation of appropriate regulatory framework for private sector participation.

IV. Implementation and support measures

9. In order to ensure successful implementation and follow-up of the Programme for Landlocked and Transit Developing Countries, the following support measures need to be put in place, namely:

(a) Member States

Continued political commitment needs to be maintained at the highest levels in order to facilitate implementation at the national level of the decisions and treaties agreed at the regional level.

States are urged to put in place and implement appropriate investment, legal, regulatory, environmental and institutional arrangements in order to promote and increase private sector participation in infrastructure development, maintenance and provision of transport services.

Member States along corridors should establish and support national and inter-State corridor facilitation committees.

States and donors should ensure that all programmes and projects should provide for participation by women and cater for programmes aimed at mitigating and preventing the spread of HIV/AIDS.

(b) Regional economic communities and development partners

Interregional economic communities coordination meetings should be established and involve other key players, including the African Union, development partners and other international and United Nations organizations. In this regard, the mechanism put in place by the African Union for the harmonization of policies, strategies and programmes in the continent will form the basic framework for the envisaged interregional economic communities coordination. Regional economic communities should also establish inter-agency coordination mechanisms for stakeholders involving subregional organizations' specialist transport institutions, private sector associations and civil society.

The regional economic communities, with the assistance of development partners, should develop programmes for awareness and advocacy campaigns in order to sensitize all the stakeholders to the policies, programmes and initiatives adopted at the regional level.

Donors should coordinate and provide funding for technical assistance to regional economic communities and member States for programme design, implementation, supervision and monitoring. Donors should also support capacity-building programmes for operators.

The donor community should devise new financing mechanisms, including grants and/or concessionary loans, for increasing investments in the development, upgrading and maintenance of transport infrastructure and services in landlocked developing and transit countries. They should also assist in developing capacity-building programmes for the private sector, including the operators.

(c) United Nations and other international organizations

The member States acknowledge the role played by the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and the other United Nations system organizations in coordinating and mobilizing worldwide support for this programme and further urge them to continue to undertake a wide range of advocacy efforts to mobilize international awareness and generate international support for the implementation of this Plan of Action.

The Office of the High Representative shall consider the establishment of mechanisms, including a database to monitor the implementation of the Action Plan.

The High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, in his capacity as the Secretary-General of the Conference, is further requested to integrate the Plan of Action into the final outcome of the International Ministerial Conference.

The Economic Commission for Africa, the United Nations Conference on Trade and Development, the World Trade Organization and the World Customs Organization should give priority to requests for technical assistance to supplement national and regional efforts to promote the efficient use of existing transit facilities, including the application of information technologies and the simplification and harmonization of procedures and documents.

Development partners should establish technical cooperation programmes aimed at utilizing national capabilities to contribute to the development of their countries as envisioned in the International Organization for Migration programme "Migration for Development in Africa" (MIDA).

The international community shall ensure that special attention and preferential treatments are accorded to developing landlocked countries to enable them to meet their challenges.

(d) Additional documentation

Specific programmes have been identified by the African region and included in various compendia, including NEPAD. These programmes will be submitted for consideration during the process leading to the International Ministerial Conference scheduled to take place in Almaty.